

COREY STAPLETON
SECRETARY OF STATE



STATE OF MONTANA

Brian Newby, Executive Director
U.S. Election Assistance Commission
1335 East-West Highway, Suite 4300
Silver Spring, MD 20910

Dear Mr. Newby:


The purpose of this letter is to certify that the State of Montana will use the funds provided under the Notice of Grant Award, Agreement # MT18101001, for activities consistent with the laws described in Section 906 of HAVA and will not use the funds in a manner that is inconsistent with the requirements of Title III of HAVA.

We further certify that we have reviewed and accept the terms of the award as specified in the Notice of Grant Award. Our UEI number (formerly DUNS) is 361855224 and the signed Certification Regarding Lobbying is enclosed.

We are requesting \$3,000,000 at this time. We will develop the program narrative as follows: traditional HAVA expenditures with an emphasis on security. We will have our final plan submitted no later than July 16, 2018.

If you have any questions about this request, please contact Julie Lake at 406-444-5359 or JuLake@mt.gov.

Sincerely,


Dana Corson
Elections Director

Cc.

Mark Abbott, Director of Payments and Grants

Legislative Finance Committee
Sept. 17, 2019
Exhibit 15

COREY STAPLETON
SECRETARY OF STATE



STATE OF MONTANA

September 19, 2018

US Election Assistance Commission
1335 East-West Highway, Suite 4300
Silver Spring, MT 20910

Dear Members of the US Election Assistance Commission:

The Montana Secretary of State's Office appreciates the opportunity represented by the 2018 HAVA Election Security Grant Funds to enhance the security and integrity of elections in Montana. The Office will be using the granted funds to replace an aging statewide voter registration system, fund required upgrades to the existing voter registration system while the state transitions to a new system, fund various cybersecurity enhancement programs, fund transitional personnel costs for an elections management position with cybersecurity credentials, and fund a subgrant program for counties to replace aging equipment and enhance elections security.

Montana's total grant award was \$3,000,000 with a 5% state match of \$150,000 for a total fund amount of \$3,150,000. The funds will be allocated as follows:

1. Replace Statewide Voter Registration System - \$2,150,000

Montana used the 2003 HAVA grant money to implement a statewide voter registration and elections management system in 2005. This system is aging and nearing functional end-of-life on key components. The Montana Secretary of State's Office with input from Montana's 56 counties is currently evaluating various potential replacement systems. This cost estimate also includes a potential upgrade of the existing system to ensure on-going compatibility with underlying IT infrastructure and a potential new system. Montana is currently evaluating election management systems.

2. County subgrant program - \$750,000

A portion of the HAVA money will be used to fund a subgrant program for counties to replace aging equipment and related elections systems. The grant program will be a merit-based award system with a 50% county match requirement. Each grant request will be evaluated with the purpose of getting the best value and security enhancements for the money spent. These funds will allow the counties to fund the replacement of some of their most outdated election equipment and systems.

September 19, 2018

3. Enhance IT Security - \$150,000

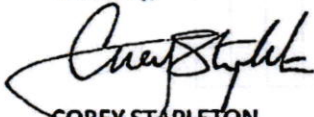
The funds will also be used for various IT security enhancements and programs for statewide elections activities. These activities include enhancement and extension of the State's multi-factor authentication system to various election systems, cyber security training for state and county election personnel, development and enhancement of state and county elections IT security and DR plans, and expenses to address any specific security issues if found by on-going security reviews. Montana is participating in various election systems security assessments, including partnering with the Department of Homeland Security and the Montana National Guard.

4. Election and Voter Services Security Personnel - \$100,000

An elections management and security staff position will be funded. The Office is evaluating statewide election staffing for other needed enhancements for elections security and integrity. Montana recently hired a new Elections and Voter Services Manager to oversee the statewide elections staff. The position required IT security and systems management experience. The individual has a CISSP certification and extensive IT management and systems implementation experience with the State of Montana.

Thank you again for the opportunity to enhance the integrity and security of Montana's elections. Please contact Dana Corson with any questions you may have.

Sincerely,



COREY STAPLETON
Secretary of State

CS:sba

2018 HAVA ELECTION SECURITY GRANT										
Budget Information		Montana Secretary of State's Office		CFDA # 90.404		Non-Construction Program				
Name of Organization:		3/23/2018		SECTION A - BUDGET SUMMARY		(Consolidated Budget for total project term-- up to 5 years as defined by grantee)				
Budget Period Start:		3/23/2023		FEDERAL & NON-FEDERAL FUNDS (Match)						
Budget Period End:										
BUDGET CATEGORIES		(a) Voting Equipment	(b) Election Auditing	(c) Voter Registration Systems	(d) Cyber Security	(e) Communications	(f) Other	(g) Other	TOTALS	% Fed Total
1. PERSONNEL (including fringe)					\$ 100,000.00				\$ 100,000.00	3%
2. EQUIPMENT									\$	0%
3. SUBGRANTS- to local voting jurisdictions	\$ 750,000.00								\$ 750,000.00	25%
4. TRAINING					\$ 50,000.00	\$ 50,000.00			\$ 100,000.00	3%
5. ALL OTHER COSTS				\$ 2,050,000.00					\$ 2,050,000.00	68%
6. TOTAL DIRECT COSTS (1-6)	\$ 750,000.00	\$	\$	\$ 2,050,000.00	\$ 150,000.00	\$ 50,000.00		\$	\$ 3,000,000.00	
7. INDIRECT COSTS (if applied)									\$	0%
8. Total Federal Budget	\$ 750,000.00	\$	\$	\$ 2,050,000.00	\$ 150,000.00	\$ 50,000.00		\$	\$ 3,000,000.00	
11. Non-Federal Match				\$ 100,000.00	\$ 50,000.00				\$ 150,000.00	
12. Total Program Budget	\$ 750,000.00	\$	\$	\$ 2,150,000.00	\$ 200,000.00	\$ 50,000.00		\$	\$ 3,150,000.00	
13. Percentage By Category	25%	0%	68%	5%	2%	0%				
Proposed State Match		5.0%								
<p>A. Do you have an Indirect Cost Rate Agreement approved by the Federal government or some other non-federal entity? If yes, please provide the following information:</p> <p>B. Period Covered by the Indirect Cost Rate Agreement (mm/dd/yyyy-mm/dd/yyyy):</p> <p>C. Approving Federal agency:</p> <p>D. If other than Federal agency, please specify:</p> <p>E. The Indirect Cost Rate is:</p>										



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DATE	TIMELINE OF KEY ACTIVITIES ON STATEWIDE VOTER SYSTEM
8/29/2018	BPro TotalVote Product Demonstration
8/30/2018	Elect Everyone Counts Product Demonstration
8/31/2018	PCC ElectionNet Product Demonstration
9/11/2018	VR Systems Voter Focus Product Demonstration
9/11/2018	Product evaluation survey sent to counties
9/14/2018	Product evaluation survey due from counties
10/2/2018	ES&S Voter Registration Product Demonstration
11/19/2018	Information Technology Procurement Request (ITPR) submitted to State Information Technology Services Division (SITSD)
11/28/2018	Sole source solicitation form submitted to State Procurement Bureau (SPB)
12/28/2018	ITPR approved by SITSD
1/2/2019	Intent to sole source started
1/16/2019	Intent to sole source closed
2/27/2019	SPB approval
4/19/2019	Start date of the contract
5/13/2019	ElectMT Project kickoff
5/14/2019	Start of ElectMT bi-weekly requirement meetings
6/3/2019	SPRINT testing begins



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6/20/2019	Development environment available
6/27/2019	Development environment uploaded with data, internal SOS provided with access to the application
7/3/2019	Election administrators provided access to the application
7/10/2019	Requirements review
7/24/2019	Letter from Secretary Stapleton to Montana Association of Clerk and Recorders announcing re-baseline of ElectMT Project
7/29/2019	Begin the Statement of Work amendment and schedule re-baseline
7/29/2019	Onsite joint application design meetings with Election Administrators
8/19/2019	Election administrators begin writing acceptance criteria for requirements
2020	METAC and vendor work on enhancements to MT VOTES – Some conversion activities
09/2021	ElectMT system implementation



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DATE	TIMELINE OF KEY ACTIVITIES ON HAVA GRANT
3/30/2018	Award letter from the EAC to the MT SOS
4/17/2018	Grant funds become available from EAC
4/23/2018	Montana funding request to draw cash letter
5/10/2018	Cash received
07/11/2018	Extension request to EAC for HAVA spending plan
07/11/2018	Spending plan extension granted for September 24, 2018 submission
09/19/2018	HAVA Spending Plan Submitted for Montana
11/13/2018	EAC approves HAVA Spending Plan



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HAVA GRANT ALLOCATION TO COUNTIES

County	State Share	County Share
Beaverhead	15,881.45	15,881.45
Big Horn	19,410.66	19,410.66
Blaine	10,587.63	10,587.63
Broadwater	7,058.42	7,058.42
Carbon	14,116.84	14,116.84
Carter	7,058.42	7,058.42
Cascade	14,116.84	14,116.84
Chouteau	14,116.84	14,116.84
Custer	17,646.05	17,646.05
Daniels	7,058.42	7,058.42
Dawson	5,293.82	5,293.82
Deer Lodge	7,058.42	7,058.42
Fallon	3,529.21	3,529.21
Fergus	12,352.24	12,352.24
Flathead	44,115.13	44,115.13
Gallatin	22,939.87	22,939.87
Garfield	8,823.03	8,823.03
Glacier	12,352.24	12,352.24
Golden Valley	3,529.21	3,529.21
Granite	7,058.42	7,058.42
Hill	14,116.84	14,116.84



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Jefferson	12,352.24	12,352.24
Judith Basin	8,823.03	8,823.03
Lake	21,175.26	21,175.26
Lewis & Clark	33,527.50	33,527.50
Liberty	5,293.82	5,293.82
Lincoln	14,116.84	14,116.84
Madison	15,881.45	15,881.45
McCone	7,058.42	7,058.42
Meagher	3,529.21	3,529.21
Mineral	8,823.03	8,823.03
Missoula	45,879.73	45,879.73
Musselshell	7,058.42	7,058.42
Park	8,823.03	8,823.03
Petroleum	3,529.21	3,529.21
Phillips	3,529.21	3,529.21
Pondera	10,587.63	10,587.63
Powder River	10,587.63	10,587.63
Powell	15,881.45	15,881.45
Prairie	5,293.82	5,293.82
Ravalli	14,116.84	14,116.84
Richland	12,352.24	12,352.24
Roosevelt	15,863.45	15,863.45
Rosebud	12,352.24	12,352.24
Sanders	14,116.84	14,116.84



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Sheridan	7,058.42	7,058.42
Silver Bow	12,352.24	12,352.24
Stillwater	15,881.45	15,881.45
Sweet Grass	3,529.21	3,529.21
Teton	10,587.63	10,587.63
Toole	8,823.03	8,823.03
Treasure	3,529.21	3,529.21
Valley	3,529.21	3,529.21
Wheatland	8,823.03	8,823.03
Wibaux	1,764.61	1,764.61
Yellowstone	26,469.08	26,469.08

Extract of info
provided to SAUA

Programs, FTE, and Non-budgeted Funding - FY 2020-21

Source: Legislative Fiscal Division

Programs	FTE	General Fund	State Special	Federal Revenue	Proprietary	Other	Total Funding	% General Fund
Business & Government Services (covers all divisions)	54.50	\$0	\$0	\$3,000,000	\$12,849,848	\$0	\$15,849,848	0.00%

Budget Summary

- Except for the federal HAVA grant, the Secretary of State's Office (SOS) is funded entirely through non-budgeted proprietary funds, which are not included in HB 2. These proprietary funds are derived from fees charged by the office for services, document sales, etc., as authorized in statute.

- A \$3 million federal HAVA (Help America Vote Act) grant was awarded to Montana in April 2018. Montana is required to provide \$150,000 as a 5 percent match. The SOS stated in a letter to the Election Assistance Commission, which is administering the grant, that the SOS plans to allocate the \$3,150,000 as follows:

Project	Allocation
Replace statewide voter registration system	\$2,150,000
Subgrants to counties	\$ 750,000
Enhance IT security	\$ 150,000
Elections & voter services security personnel	\$ 100,000

→ counties must match grant 50/50 so additional \$750,000

Administratively Attached Agencies

- Commissioner of Political Practices
- Board of Canvassers

Statutory Advisory Councils

- None

Statutorily Required Reports

- Uniform Commercial Code Secured Transactions Report (amended in 2013 to no longer be required unless there are changes to the relevant uniform code rules) 30-9A-527, MCA.

Most Recent Legislative Audits

- Financial-Compliance Audit for the two years ended June 30, 2018 - (18-19) three recommendations, none were for legislation - the office concurred in one, partially concurred in one, and did not concur in one

Extract from Election Assistance Commission website

How can states use the funds?

Consistent with provisions in HAVA, states have discretion upon expenditures. The EAC can answer specific questions about how the money may be utilized, and will be capturing questions from states and sharing the answers in updated versions of this FAQ document.

As a point of reference, the EAC is including along with these FAQs the section of the Consolidated Appropriations Act of 2018 that authorizes and appropriates the federal funds as well as pages 1 and 57 of "Division E – Financial Services and General Government Appropriations Act, 2018," which is a joint explanatory statement that indicates congressional intent on how the funds may be spent[Download PDF \(opens in new tab\)](#). The joint explanatory language provides on page 57, that:

The bill provides \$380,000,000 to the Election Assistance Commission to make payments to states for activities to improve the administration of elections for Federal office, including to enhance election technology and make election security improvements, as authorized under sections 101, 103, and 104 of the Help America Vote Act (HAVA) of 2002 (P.L. 107-252). Consistent with the requirements of HAVA, states may use this funding to

1. Replace voting equipment that only records a voter's intent electronically with equipment that utilizes a voter verified paper record;
2. Implement a post-election audit system that provides a high level of confidence in the accuracy of the final vote tally;
3. Upgrade election related computer systems to address cyber vulnerabilities identified through Department of Homeland Security, or similar scans or assessments of, existing election systems;
4. Facilitate cybersecurity training for the state chief election official's office and local election officials;
5. Implement established cybersecurity best practices for election systems; and
6. Fund other activities that will improve the security of elections for Federal office.